

NSC BRIEFING

20 February 1957

CHINESE COMMUNIST RAILROADS

- I. 1949 - 14,000 dilapidated miles.
 - A. Chicoms restored, improving, extending.
 - B. Strategic and economic motives.
 - C. Overfulfillment; good prospects; present congestion.
- II. 1949-1952 - period of restoration.
 - A. New line to North Vietnam.
- III. First Five-Year Plan (1953-1957) goals already exceeded.
 - A. End of 1956 - 2,700 miles. Another 400 this year.
 - B. Three projects of major strategic importance finished:
Trans-Mongolian, Fort Bayard line, Amoy link.
 - C. Two more such projects underway: Trans-Sinkiang, Wuhan bridge.
 - D. Construction sound: Soviet advice, vast manpower.
 - E. Cost: \$850 million for new lines, \$575 million improvements.
- IV. Second Five-Year Plan (1958-1962) 5,000 new miles planned.
 - A. Cost: \$1 billion for new lines; \$850 million improvements.
 - B. Set for early completion: Trans-Sinkiang, new North-South trunk line.
 - C. Double-tracking 750 miles Peiping-Hankow.
 - D. Prospects good.
- V. Present congestion due industrial growth.
- VI. Program extends Peiping influence; expands industrial potential; creates more links with USSR.

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CHINESE COMMUNIST RAILROADS

- I. In 1949 the Chinese Communists took over about 14,000 miles of dilapidated railroads.
 - A. Peiping regime has since embarked on large program to repair, improve, and extend rail net.
 - B. Strategic and economic motives both evident.
 - C. Accomplishments have exceeded goals; prospects are for continuing expansion; major problem is congestion on older lines due to industrial growth.
 - II. From 1949 through 1952, Communists concentrated on restoring battered system.
 - A. About 1,750 miles of track laid; about 900 of which new line.
 - B. Of three new lines built, one restored service to Indochina.
 1. Permitted heavy shipments to Viet Minh forces.
 - C. Existing Manchurian rail links with USSR were improved.
 - D. Main supply line to South China--Peiping-Hankow-Canton railroad--also improved.
 - III. First Five-Year Plan (1953 through 1957) called for construction of 2,550 miles of new railroads.
 - A. In period 1952 through 1956, over 2,700 miles had already been built, making total of 3,600 since 1949.
 - B. Another 400 miles will be added this year, so total end of the year will be 18,000.
 - C. Three projects of major strategic importance have been completed; two other ambitious programs well underway.
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- I. Trans-Mongolian line opened in late 1955 as third rail link with USSR.

- a. Opens Mongolia to Chinese influence; has been Soviet bailiwick.
- b. Complete northern link in 2,000 mile trunk line from Mongolia to Vietnam further inland than two existing north-south systems.
2. Line from Litang to Fort Bayard finished in mid-1955.
 - a. Fort Bayard being developed as major port; alternative to Hong Kong and Canton.
3. Amoy--just opposite Nationalist-held Quemoy--joined to inland rail net in December 1956.
 - a. Increases Communist logistic capability in Taiwan strait area.
 - b. Branch line to Foochow--opposite Nationalist-held Matsu--will open in few months.
- D. Two more such projects already underway are Trans-Sinkiang railroad and first major bridge across Yangtze river at Wuhan.
 1. 1,800 mile Trans-Sinkiang line extends major east-west railroad; will eventually connect with Soviet system making fourth rail link with USSR.
 2. Already reaches Yumen, most important domestic source of crude oil for Chinese Communists.
 3. Oil in Wusu-Karamai area also an immediate target. Huge refinery being built, and Peiping pinning hopes for petroleum self-sufficiency on this area.
 4. Rail line extends Chinese influence into area with rich mineral deposits.
 5. USSR is pushing construction from its end. Line may be open during second half of 1958, cutting Moscow-Peiping rail distance by 700 miles.

6. First major bridge ever to span Yangtze--double-decked rail-highway bridge--due for completion late this year. Will remove worst bottleneck on Peiping-Canton run.

E. Construction has been generally sound; aided by Soviet guidance on planning and building techniques.

1. Peiping has made good use of its manpower hordes, including employment of 11 specialized army divisions as construction force.
2. Difficulties and delays due mainly to rugged terrain, bad weather, and too much haste in shooting to hit targets.

F. Cost of first Five-Year Plan for railroad development: \$850 million for new construction; \$575 million for improvements.

1. This figure--16 percent of total plan allocations--second only to 55 percent allotted industry.

IV. Second Five-Year Plan (1958-1962) calls for building more than 5,000 miles of new lines and improving existing nets.

A. More than \$1 billion dollars is earmarked for new construction; about \$850 million for improvements.

B. Scheduled for early completion are the new north-south trunk and the Trans-Sinkiang lines.

C. Still in the planning stages is a line into the Tsaidam basin, site of a promising oilfield.

1. A branch south from Tsaidam to Lhasa in Tibet is also projected, but it has low priority because there is little economic justification.

D. Major improvements will be double-tracking 750 miles on Peiping-Hankow railroad.

1. More automatic signalling to be installed; freight handling facilities at key junctions to be expanded.

E. Based on performance thus far, and in absence of any overriding shortages or problems, prospects for fulfillment or over-fulfillment are considered good.

V. Major problem at present is congestion on existing lines due to increased industrial growth.

A. Shortage is one of track and yard capacity, which ties up limited rolling stock.

B. Congestion worst during 1956 in such local spots as Chengchow junction.

1. Congestion may increase before improvements relieve it.

VI. Railroad construction program extends Chinese Communist influence; expands its economic potential; creates more links with USSR.

A. Far Western China being brought into sphere of direct Peiping influence; new industrial centers projected for these areas.

B. New links with USSR speed up delivery time of heavy goods which Peiping requires from Soviet Union; delivery of weapons in time of war would also be faster.

C. Program will give vastly greater flexibility of internal movement.